Clarification from the Shell India Pvt. Ltd.

2530. SHRI P. K. MAHESHWARI: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether M/s Shell India Pvt. Ltd. has asked his Ministry if the 26 per cent disinvestment clause imposed on its wholly-owned subsidiary in 1999 still stands good;

(b) if so, the details thereof;

(c) whether M/s Shell India Pvt. Ltd. has proposed to undertake trading in Chemical and Petro Chemical Products in the country; and

(d) if so, the reaction of Government thereto?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN SINGH): (a) to (d) Yes, Sir. M/s Shell India Pvt. Ltd. sought clarification in August, 2002 regarding the applicability of divestment of its 26% stake to resident Indians and also proposed to undertake trading in chemical and petro-chemical products in the country. After consideration by the Foreign Investment Promotion Board, the proposal was rejected and it was clarified to the company that, being an entry level condition, the 26% divestment clause will remain applicable.

FDI in tea Industry

† 2531. SHRI HARENDRA SINGH MALIK: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is fact that a huge decline has been registered in the export of Indian Tea in the last two years;

(b) if so, the details thereof;

(c) whether Indian Tea Industry is likely to grow by Government allowing hundred per cent foreign direct investment;

(d) if so, the target fixed by Government for the export of tea during the current year;

(e) whether the said target is likely to be achieved; and

(f) if not, the reasons therefor?

† Original notice of the question was received in Hindi.